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Towards a Harmonised Skills Monitoring Survey: Feedback Report

A feedback report prepared by
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Economic Research and
Evaluation

February 2005



Leading learning and skills



Sector Skills Development Agency



TOWARDS A HARMONISED SKILLS MONITORING SURVEY: FEEDBACK REPORT

Prepared for:

Department for Employment and Learning

Sector Skills Development Agency

Learning and Skills Councils

Future Skills Wales

Future Skills Scotland

FÁS

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Introduction

1 This is a follow-up report on the workshop held on 5 October 2004 to discuss the July 2004 ERE report *Towards a Harmonised Skills Monitoring Survey*. The workshop brought together a range of stakeholders from England, Scotland, Wales, Northern Ireland and the Republic of Ireland.

2 The ERE report was commissioned to assist in the preparation of a harmonised set of questions for future Skills Monitoring Surveys undertaken by the countries of the UK and the Republic of Ireland. This followed from a seminar, held in March 2004 and hosted by DEL, to discuss the findings from the January 2004 ERE *Comparative Analysis of Skills Monitoring Surveys*, which had been commissioned by DEL.

3 The comparative analysis report found that differences in survey design and approach often hampered the ability to draw robust conclusions from the cross-country comparisons. To that extent, a key message from the comparative study was the desirability of a more co-ordinated and common approach to the design and implementation of Skills Monitoring Surveys and, where overlap occurs, the Republic of Ireland's Vacancy Survey.

4 At the March 2004 seminar, there was agreement on the desirability of adopting a common approach to Skills Monitoring Surveys, where possible. It was therefore agreed to commission further work aimed at harmonising the questions used in Skills Monitoring Surveys, in three specific areas:

- Recruitment difficulties and skill shortages.
- Skill gaps.
- Off-the-job training.

5 In the July 2004 ERE report, a two-stage approach was adopted in making recommendations for a harmonised set of questions on the foregoing topics. The first stage was comprised of a detailed review of approaches to Skills Monitoring Surveys across the five countries. The objectives of this first stage were as follows:

- To take stock of current approaches that can be built upon for a harmonised questionnaire.
- To identify the differences between the surveys that must be addressed in developing a harmonised questionnaire.

6 The second stage in the approach was to assess and make recommendations on the options for achieving comparability, in light of differences between the surveys. The basic principle adopted in this second stage was to make use of currently existing approaches so far as this was possible, with a view to minimising discontinuities within each survey.

7 Where choices had to be made due to variations in approach across different surveys, the following criteria were taken into account:

- Impact on the length of the questionnaire.
- Effectiveness in terms of accuracy and relevance to the specific objectives of Skills Monitoring Surveys.

8 The recommendations made in the July 2004 ERE report were presented and discussed at the workshop held on 5 October 2004. A range of views were expressed on the recommendations, especially the question of whether to define a vacancy and the measurement of skill shortage vacancies and skill gaps. Clearly, these issues are central to the development of a harmonised questionnaire.

9 In order to progress matters, it was agreed that ERE would prepare a summary of the recommendations made in the July 2004 report, along with a note of the workshop discussion, as a basis for provision of feedback by the workshop participants. The summary of recommendations in the July 2004 report is reproduced as Appendix C below.

10 The workshop participants were asked to provide feedback by indicating, for each recommendation, whether they agreed or disagreed. If disagreeing with a particular recommendation, participants were also asked to say why that was the case. Written responses were received from DEL, DfES, SSDA, Futureskills Scotland and the ESRI. For various reasons, it was not possible for ELWA or the LSC to provide a written response. ELWA's views were discussed through a telephone consultation. Regarding the LSC, their main concerns with the recommendations had been articulated at the workshop. The collated responses made by the various participants are shown in Appendix B, along with the comments offered by those responding.

11 The objectives of this report are to summarise the feedback provided by participants and, where appropriate, suggest revisions to the draft questionnaire in light of the comments. For that reason, this report focuses primarily on the areas of disagreement emerging from the feedback. The thrust of this report is to facilitate further progress towards a more harmonised approach, both in terms of core and optional elements in a suite of questions.

12 The next three sections of this report discuss the feedback on, respectively, recruitment difficulties and skill shortage vacancies, skill gaps and off-the-job training. The report then provides a summary overview on core and optional elements of a harmonised questionnaire. The concluding remarks also discuss the way forward in the process.

Recruitment Difficulties

Overview

13 The issues on which feedback was sought with respect to the recruitment difficulties module in Skills Monitoring Surveys are summarised in Figure 1 below. As noted above, the recommendations made in the July 2004 ERE report are summarised in Appendix C below, with the feedback responses collated in Appendix B for each of the specific recommendations.

Figure 1 Recruitment difficulties module – Feedback issues

<p>Current vacancies - incidence and extent</p>	<p>Define a vacancy? Occupations - restricted or unrestricted? Estimate on bottom-up or top-down basis?</p>
<p>Difficult-to-fill - Incidence and extent Identifying SSVs</p>	<p>Global filter question, or ask per occupation? Ask how many within each occupation, or assign on 'all-or-nothing' basis SSVs - The Scottish approach, or via the causes question?</p>
<p>Causes of D2F Skills difficult to obtain Measures taken Impacts</p>	<p>Phrasing and placing of the question Prompted or unprompted Coding frame Global or occupation-specific Sampling of occupations</p>
<p>Reference period</p>	<p>12-month reference period - option for occasional use?</p>

14 The feedback responses in respect of the recruitment difficulties module are summarised in Box A overleaf. There are three main areas in which there is presently a lack of agreement on a harmonised approach, that is:

- Defining a vacancy.
- Whether the number of vacancy types should be restricted or unrestricted. Related to this is the issue of whether to adopt a 'top-down' or 'bottom-up' approach to measuring the number of current vacancies.
- The measurement of skill-shortage vacancies.

Box A Current vacancies and recruitment difficulties

Topic	Feedback
Quantitative indicators	
Current vacancies	<p>Scotland, Wales, LSC, SSDA, DfES:</p> <ul style="list-style-type: none"> • Not convinced that need to have a definition. “Would do more harm than good”. • Strongly opposed to leaving number of occupations unrestricted – potential impact on response rates. <p>Scotland and ELWA favour a ‘top-down’ rather than ‘bottom-up’ approach to the number of current vacancies. LSC using this for NESS05.</p>
Difficult-to-fill vacancies	<p>Mostly in agreement on asking per occupation compared to using global filter.</p> <p>All agree on asking how many within each occupation.</p>
Skill shortage vacancies	<p>Scotland does not accept the rationale for using the unprompted main causes approach, compared to their current two-stage prompted approach. Unprompted felt to under-estimate SSVs.</p>
Follow-up Questions	
Sampling of occupations	<p>Agreed that this can be an option. Suggestion to limit to occupations with SSVs.</p>
Causes	<p>Scotland excepted</p>
Skills difficult to obtain	<p>NI concerned about placing of question. Otherwise agreed.</p>
Measures taken	<p>Broadly in agreement.</p>
Impacts	<p>Agreed</p>

Defining a vacancy

15 The ERE report recommended that a definition should be provided to survey respondents based on the employer search concept of a vacancy. Both DEL and the ESRI currently provide a definition to respondents when asking whether the employer has any vacancies and would prefer to continue with this approach. England, Scotland or Wales do not define a vacancy, and do not accept the recommendation that this should be done.

16 The issue of whether to define a vacancy was discussed at length in the October 2004 workshop. The objections raised are listed in the recruitment difficulties feedback table in Appendix B, and have also been outlined in the Workshop Notes circulated to participants along with the feedback sheets.

17 The main rationale for recommending a definition was that, from the perspective of ensuring comparability across the skills surveys, it is preferable to include a definition than to leave vacancies undefined. So long as vacancies are left undefined, uncertainty will remain regarding the scope and meaning of the vacancy estimates. In our view, this argument remains valid. Nonetheless, and given the extent of opposition to the proposal to include a definition, it is more useful at this juncture to seek a compromise solution.

18 The definition of a vacancy recommended in the ERE report was derived from the employer search model. This is the concept of a vacancy currently used in the NI SMS, as well as the ONS UK Vacancy Survey. In the ERE recommendation, the central element of the proposed definition was that vacancies should correspond to positions for which employers are actively seeking recruits. Indeed, some form of active search by employers would seem to be a prerequisite in the context of a survey designed to identify recruitment difficulties; how can an establishment that has not already been actively seeking recruits be in a position to report on recruitment difficulties?

19 In order to retain the active search element of a vacancy definition, it is proposed that employers should be asked (see the recruitment difficulties module in the revised questionnaire contained in Appendix A):

- Whether they currently have any vacancies (Q. 1(a) of the revised questionnaire).
- What methods of recruitment they are using to fill the vacancies (Q. 1(b)).

20 The question on methods of recruitment is based on one that was used in the NI SMS 2002. The form of the question proposed for the revised questionnaire has been modified to include a response option for 'Not actively seeking recruits'. An additional, optional, question has also been prepared, to obtain reasons why the employer is not actively recruiting. The optional follow-on question is to provide additional information in mapping to the employer search model. It also identifies discouraged employers.

21 The revised approach to estimating the incidence of current vacancies is intended for use in a telephone survey of establishments. With a postal survey of business enterprises/organisations, such as the Republic of Ireland Vacancy Survey, it is more appropriate to explicitly define a vacancy, so that respondents know exactly what information needs to be collated.

Measurement of vacancies

22 Regarding the measurement of vacancies, the ERE report recommended that:

- The number of vacancy types should be left unrestricted.
- The total number of vacancies at the establishment should be estimated on a 'bottom-up' basis, that is, by summing the number of vacancies reported for the occupations in which vacancies exist.

23 The current practice in both Northern Ireland and the Republic of Ireland is to leave the number of vacancy types unrestricted and to estimate total vacancies on a bottom-up basis. In England, Scotland and Wales, current practice is to restrict the number of vacancy types to a maximum of six and to estimate total vacancies on a 'top-down' basis, that is, where employers are asked how many vacancies they have in total before being asked about the number per vacancy type.

24 As shown in Box A, the ERE recommendation to leave the number of vacancies unrestricted was not accepted in any of the feedback responses from England, Scotland and Wales. The reason for this is the potential impact on response rates, especially from larger employers where it is already proving difficult to maintain response rates.

25 In principle, restricting the number of vacancy types can be expected to lead to reduced accuracy for estimates that are derived on a vacancy type basis, that is, difficult-to-fill and skill-shortage vacancies. In practice, the restriction would appear to make very little difference. In the 2002 NI SMS, only 0.3 per cent of respondents (un-weighted) reported more than six vacancy types. Similarly, in NESS 2003, only 0.3 per cent of total vacancies were not followed up due to the restriction to six vacancy types.

26 As long as this remains the case, it makes relatively little difference whether vacancies are restricted or not, in the context of a survey focused on recruitment difficulties and skill shortages. Thus, the revised questionnaire in Appendix A provides for either of the two approaches to be used.

27 The issue of whether to use a top-down or bottom-up approach does not, in practice, matter in most cases where employers report a vacancy. Using the NI SMS 2002 results as a guide, over 70 per cent of employers only have one vacancy type at their establishment. In that situation, the top-down and bottom-up approaches are equivalent.

28 But even when employers have more than one vacancy type, it is also possible to employ a bottom-up approach to estimating the total number of vacancies, regardless of whether the number of vacancy types is restricted or not. The suggested approach to this is set out in the revised questionnaire.

29 As can be seen, it makes little difference to the length of the survey whether a bottom-up approach is used rather than a top-down approach. To that extent, the choice of a top-down or bottom-up approach depends on which is likely to provide the more accurate vacancy estimates. Our preference is for a bottom-up approach, as employers with more than one vacancy type may be able to supply more accurate answers when queried on that basis. What really matters in terms of ensuring accuracy, however, is that the total number of vacancies is checked and confirmed with the respondent, regardless of the approach used.

Skill-shortage Vacancies

30 In the surveys reviewed for the July 2004 ERE report, two approaches were employed to measure the incidence and extent of skill-shortage vacancies (SSVs).

31 In the Scottish approach, skill-shortage vacancies are derived by first asking those with a difficult-to-fill vacancy if this is due to applicants not being of sufficient quality, too few applicants, or some mixture of these. Respondents ascribing their difficult-to-fill vacancies to lack of quality, or some mixture of quality and quantity, are then asked to say what qualities are lacking. If these qualities include any skills-related reason, the difficult-to-fill vacancies are counted as skill-shortage vacancies.

32 In NESS 2003 and the 2002 NI SMS, those with a difficult-to-fill vacancy were asked why the vacancy was difficult-to-fill. This main causes question was unprompted. Any mention of a skills-related reason by the respondent resulted in the vacancy being counted as a skill-shortage vacancy.

33 Having considered these two approaches, the ERE report recommended the use of the unprompted main causes question. Partly, this was on the basis that the two approaches are equivalent in conceptual terms, so long as respondents in the Scottish survey interpret 'lack of quality' to encompass any and all skills-related reasons for vacancies being difficult to fill. In that context, the simpler approach is to be preferred, to save on interviewing time.

34 The SSV recommendation is not accepted by Scotland. This is on the ground that the use of a single unprompted question cannot be guaranteed to "ensure that all skills-related reasons are picked up all of the time, as opposed to being picked up just when they are the main reason/first mentioned". In short, Scotland's position is that the single causes question will tend to *under-estimate* the incidence and extent of skill-shortage vacancies as a share of all difficult-to-fill vacancies. For that reason, Scotland prefers the use of a prompted rather than an unprompted approach to measuring SSVs.

35 When the Skills Monitoring Surveys conducted through 2003 are considered, it is not immediately obvious that the unprompted causes question was any less effective in identifying skill-shortage vacancies by comparison with the two-stage prompted approach used in Scotland. For example, in the 2002 Skills in Scotland survey, 35 per cent of establishments with difficult-to-fill vacancies reported one or more SSVs, compared to 49 per cent in ESS 2001 and 50 per cent in NESS 2003. The incidence of SSVs was also higher among establishments in Northern Ireland (41 per cent) than in Scotland. Similarly, the SSV share of all difficult-to-fill vacancies was rather lower in Scotland in 2002 and 2003 by comparison with ESS2001 and NESS 2003, albeit the share was higher in Scotland than in Northern Ireland (Table 1).

Table 1 Skill-shortage vacancies as per cent of all difficult-to-fill vacancies

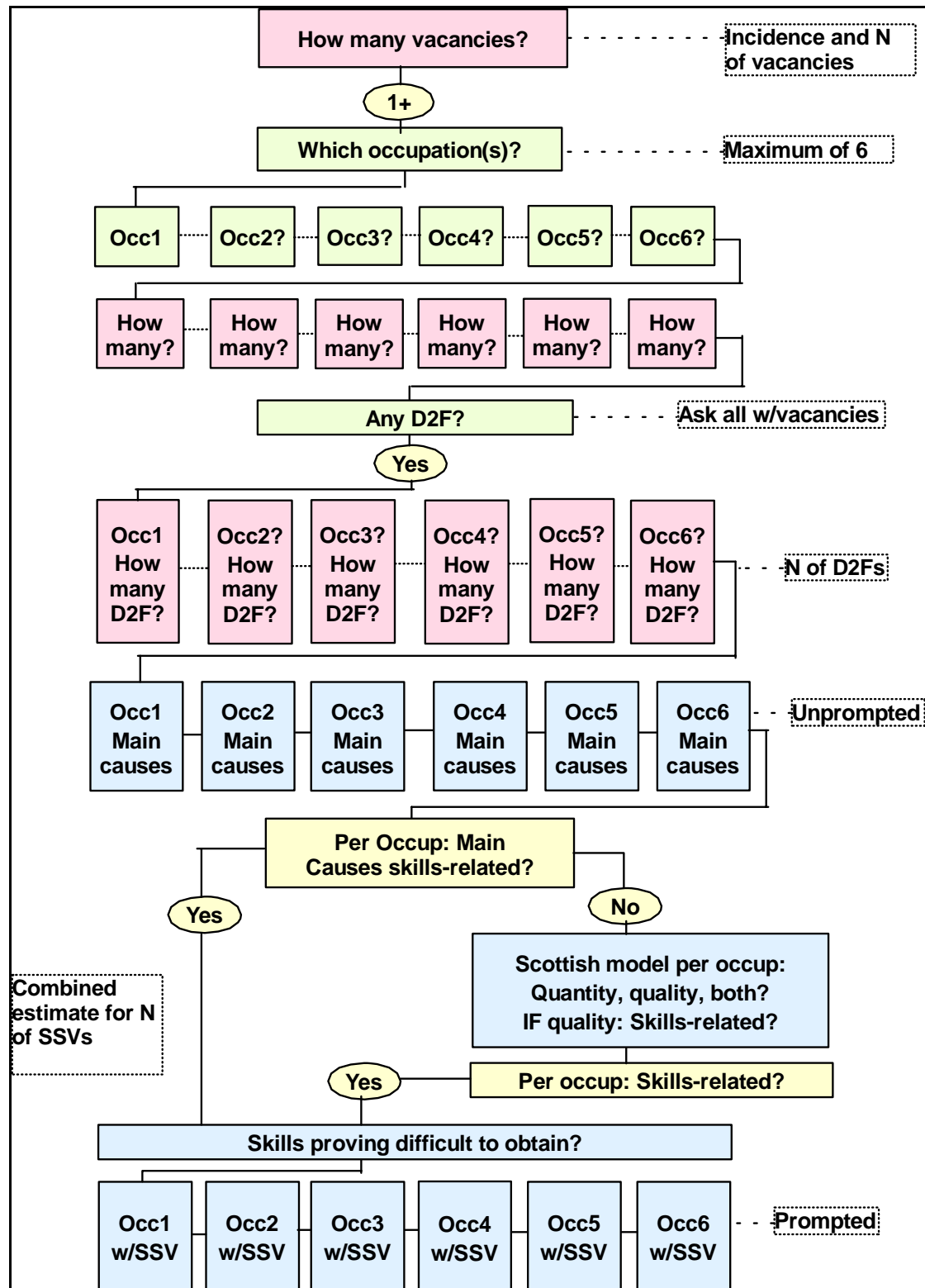
	2001	2002	2003	2004
	%	%	%	%
Scotland (two-stage, prompted)	-	39	40	55
England				
• Unprompted	44	-	50	46
• Combined prompted/unprompted	-	-	-	64
N. Ireland (unprompted)	-	33	-	-

Sources: ESS 2001; NESS 2003, 2004; Futureskills Scotland, 2004; DEL, 2003.

36 The 2004 results give a different picture. Most strikingly, the *Skills in Scotland* survey reported an SSV share of all difficult-to-fill vacancies of 55 per cent, a very large increase on the 40 per cent reported in 2003 and well ahead of the 46 per cent share based on the unprompted causes question in NESS 2004 (Table 1). In light of the historic pattern in cross-country comparisons, it is a moot point as to whether the Scottish results for 2002-2004 would have looked much different if the unprompted causes question had been used rather than the two-stage prompted approach.

37 In that context, it is useful to consider the findings from NESS 2004. In NESS 2004, a combined approach was used (see Figure 2). Respondents with difficult-to-fill vacancies were first asked the unprompted causes question. Those who did *not* give a skills-related reason for a vacancy type being difficult-to-fill were then asked further follow-up questions using the Scottish prompted approach. This procedure resulted in a 38 per cent increase in the number of SSVs compared to the unprompted approach. Consequently, the SSV share of all difficult-to-fill vacancies in NESS 2004 rose from 46 per cent with the unprompted approach to 64 per cent using the combined approach (Table 1).

Figure 2 NESS 2004: Combined prompted/unprompted approach to measuring SSVs



38 The scale of the increase in the SSV share of difficult-to-fill vacancies when the unprompted question is augmented by the prompted approach is rather larger than might have been expected from a 'mopping-up' exercise. Indeed, given the historic pattern in the cross-country comparisons discussed above, it is highly unlikely that the NESS 2004 results can be taken to mean that the unprompted causes question produces 38 per cent fewer SSVs than the Scottish two-stage prompted approach. This would in turn suggest that the scale of the increase in the number of SSVs in NESS 2004 is rather more to do with *combining* the two approaches to measuring SSVs. That is, the deeper you drill, the more likely is it that you will find something of interest.

39 Viewed in that light, it will be interesting to see what emerges from further more detailed analysis of the additional SSVs uncovered by the combined approach used in NESS 2004. For example, whether respondents with additional SSVs were significantly more or less likely to say that applicants did not lack any of the skills that they were looking for (see follow-up Q 1.(s) in the revised questionnaire.). This type of testing is useful in assessing the value added by the combined approach.

40 Nonetheless, the combined approach used in NESS 2004, and which is being repeated in NESS 2005, provides a possible means of moving forward towards an agreed harmonised approach. Thus, in the revised questionnaire contained in Appendix A, the combined approach is included as an option for further consideration.

41 Clearly, the use of the combined approach would entail a cost in terms of lengthening the questionnaire. This cost can be offset by dropping one or more questions. For example, in NESS 2004, and also NESS 2005, there are no follow-up questions on measures taken or business impacts of difficult-to-fill vacancies.

42 It is also possible to achieve time savings by confining the follow-up questions to SSVs, rather than all difficult-to-fill vacancies. This has been discussed in the July 2004 ERE report (paras 3.73-3.76), which suggested that this could be an option.

Follow-up questions

43 As reflected in the feedback responses, there was less disagreement regarding the recommendations made for follow-up questions. DEL queried whether the skills difficult to obtain question should not be asked before the causes question. The causes question, whether prompted or unprompted, needs to be asked first in order to identify SSVs, thus providing an option for the scope of the subsequent follow-up questions, especially skills difficult to obtain.

44 The follow-up questions are, in any event, less contentious. Some of these are now effectively used on a more occasional basis, especially the measures taken question (not included in NESS 2004, NESS 2005 or Skills in Scotland 2004) and the impacts question (it does not feature in NESS 2004 and NESS 2005).

Reference period

45 The UK Skills Monitoring Surveys each focus on current recruitment difficulties. This is also the main focus of attention in the Republic of Ireland Vacancy Survey. The Republic's Vacancy Survey, which is administered as a postal survey, also includes a limited set of follow-up questions in respect of vacancies proving difficult to fill in the past year.

46 This poses the issue of whether a one-year reference period might also be useful to adopt in future Skills Monitoring Surveys. The rationale is that, in the UK skills monitoring surveys, relatively few respondents say that they have skill-shortage vacancies (typically, 4-5 per cent). This has a cost impact, since large-scale surveys are then required to obtain sufficient cases for analysis of recruitment difficulties; the estimation of current vacancies is not *per se* a primary objective of UK Skills Monitoring Surveys. But many firms that are not currently recruiting are likely to have engaged in some recruitment activity in the previous 12 months. The use of a one year reference period was therefore seen as offering an opportunity to increase the number of establishments providing views on recruitment difficulties. For that reason, an indicative set of questions based around a one-year reference period was included in the July 2004 ERE report as *an option for occasional use*.

47 As can be seen from the feedback responses, the suggestion was, to varying degrees, strongly rejected by all of those providing feedback from England, Scotland and Wales. There were two main reasons for this:

- The impact on interview length.
- Recall problems.

48 The recall problem is not a binding constraint on the use of a one-year reference period for recruitment difficulties. A number of modules in the UK Skills Monitoring Surveys already use a one-year reference period e.g. the training module looks back over the past year. Indeed, the recruitment module in the *Skills in Scotland 2004* Survey has a 2-3 year reference period for a block of quite detailed questions on recruitment from Scottish secondary schools as well as Colleges and universities.

49 Particularly in the context of a telephone interview, the impact of an additional block of questions on interview length is the more compelling objection. This could be managed, for example, by routing respondents without current vacancies into a block of questions on recruitment difficulties over the past year, but not doing this for those with current vacancies. Or by occasionally substituting the one-year reference period for the current recruitment difficulties module, thereby offering the potential for a smaller scale, and potentially less costly, survey on such occasions.

50 In our view, the rationale for a set of questions with a one-year reference period remains valid. Nonetheless, given the lack of interest, the indicative set of questions included in the July 2004 report has not been carried forward to the revised questionnaire included in this report.

Skill Gaps

51 The issues on which feedback was sought with respect to the skills gap module in Skills Monitoring Surveys are summarised in Figure 3 below. For reference purposes, the recommendations made in the July 2004 ERE report are summarised in Appendix C below, with the feedback responses collated in Appendix B for each of the specific recommendations. It should be noted that FÁS/ESRI did not comment on the skill gaps recommendations, as the Irish Vacancy Survey does not include such a module.

Figure 3 Skills gap module – Feedback issues

Skill Gaps - incidence and extent	Direct question? (NI, VWV) Proficiency question? (SC, EN) Or both?
Selection of occupations for follow-up proficiency questions	How many? 1? 2? More than that? Filter via direct skills gap question? Random sampling? Other sampling?
Causes of lack of proficiency Skills need improving Measures taken Problems caused Changing skill needs	Global or occupation-specific Phrasing and placing of the question Prompted or unprompted Coding frame

52 The feedback provided by workshop participants is summarised in Box B. As can be seen, there is a fair degree of consensus around the proposals made for the follow-up questions. As in the recruitment difficulties module, the more contentious issues are around the quantitative indicators for measuring incidence and extent.

53 Based on the feedback received, the main area of disagreement resides in the best approach to measuring the extent of skill gaps. England and Scotland favour continuing with the proficiency-based measure, whereby employers are asked to say how many of their employees are fully proficient at their job. In this instance, respondents are given a definition of a 'proficient employee', that is, 'someone who is able to do the job to the required level'.

Box B Skill gaps

Topic	Feedback
Quantitative indicators	
Incidence - Use of single direct question in a mixed approach	All but SSDA disagreed with this. Main concern around potential for confusion if have two different measures.
Extent	ELWA and NI concerned about the use of the proficiency question as a means of measuring skill gaps. Suggestion that substitute the phrase 'skill gaps' for 'proficiency' in the current suite of questions.
Follow-up questions	
Sampling of occupations	NI would prefer to ask for all occupations, rather than to sample. Otherwise agreed.
Causes	ELWA prefers to ask on prompted rather than unprompted basis. DfES raises issue around high proportion of proficiency gaps due to staff being new. Otherwise agreed.
Skills sought	Agreed, though NI concerned about placing of the question.
Measures taken	ELWA prefers to ask this on a global rather than occupation-specific basis, due to interviewing time constraints. Otherwise agreed.
Impacts	Agreed.

54 Both Northern Ireland and Wales accept the need for an occupationally-based measure of the extent of skill gaps. Their main concern is whether the proficiency question is best suited for that purpose. The Welsh concern springs from recent experience with the use of the proficiency measure in cognitive interviews for the preparation of their 2005 Skills Survey. There have been practical problems in implementing the approach, for example, with respondents taking time to think through the question of proficiency, or interpreting the question in a very broad sense ('we could all do better'). There is also a feeling on the Welsh side that the proficiency question is not sufficiently focused on the current business development problems faced by firms that may be due to a lack of skills.

55 For both of these reasons, Wales is presently moving more towards an approach that makes explicit mention of 'skill gaps' rather than 'proficiency'. The DEL feedback also asked whether it might be preferable to use the proficiency model of questions for measuring extent (that is, on an occupation by occupation basis), but substituting 'skill gaps' for 'proficiency'.

56 These concerns partly reflect differences between the four UK countries in what is meant by a skill gap. Similar to the 2001 Employer Skills Survey (ESS), both Northern Ireland and Wales define a skill gap in terms of employees' current skills relative to current business objectives (Box D). England and Scotland use a different definition of a skill gap, viewing this in terms of the extent to which employers perceive their employees to be proficient at their jobs.

Box D Definitions of skill gaps

ESS 2001	The extent to which employers perceive their employees' current skills as insufficient to meet current business objectives.
NI SMS 2002	Exists where there is a gap between the types of skills that current employees have now, and those that the company needs to meet its business objectives
Futureskills Wales 2003	There is a gap between the skills employees have now and those needed to meet current business objective
NESS 2003	The extent to which employers perceive their employees as not being fully proficient at their job
SESS 2004	A skill gap exists when someone who is in a job is judged by his or her employer to be not fully proficient.

57 The proficiency measure itself originated in the 2001 Employer Skills Survey (ESS). In the ESS 2001, the proficiency questions were designed as a replacement for the single question approach used in the *Skill Needs in Britain* surveys, which ran through the 1990s until being superseded by Skills Monitoring Surveys and the Learning and Training at Work survey (which is now defunct).

58 The main problem with the proficiency measure is that it is an indirect measure of skill gaps, where the latter are defined in terms of "the extent to which employers perceive their employees' current skills as insufficient to meet current business objectives" (Hogarth *et al*, 2001).

59 Furthermore, the proficiency measure is partially, rather than wholly, correlated with the concept of skill gaps as defined in ESS 2001 as well as the NI SMS and the 2003 FSW survey. The evidence for this comes from the NI 2002 SMS and the follow-up qualitative interviews conducted for the 2002 Employers Skills Survey in England, both of which have been discussed in the July 2004 ERE report, as well as the ERE 2004 comparative analysis.

60 This is also evident in the findings from NESS 2003 and the Scottish surveys. Mostly, employers perceive their employees to lack proficiency because they have not been in their job long enough (Table 2). As the Scottish 2002 report notes, this is likely to be a transitory situation in many circumstances. Furthermore, a significant proportion of establishments in both the English and Scottish surveys say that the fact that some of their employees lack proficiency nonetheless has no impact on the business.

Table 2 Lack of proficiency: Causes and impacts

	England	Scotland	
	2003	2002	2004
	%	%	%
Employees lacking proficiency			
<ul style="list-style-type: none"> Due to lack of experience¹ / training programmes only partially completed² 	70	64	n.a.
Establishments reporting lack of proficiency:			
<ul style="list-style-type: none"> No impact 	31	37	38

1 NESS 2003; 2 Both reasons in Scotland 2002.
Sources: NESS 2003; Futureskills Scotland, 2002, 2004.

61 In light of the above, the July 2004 ERE report suggested that the precision of the proficiency question as a measure of skill gaps could be improved by also asking employers to say if there was a gap between “the types of skills that your current employees have now, and those that your company needs to meet its business objectives”. This direct question approach, it was argued, could be used to refine the proficiency measure of skill gaps, for example, by defining a ‘narrow’ measure based on the overlap between the incidence of lack of proficiency and the incidence of establishments reporting the existence of a skill gap.

62 While there is precedence in ESS 2001 for the use of ‘narrow’ and ‘broad’ measures of skill gaps, this recommendation was not favourably received. For the most part, workshop participants want a single and unambiguous measure of skill gaps. Partly, this is because of the anticipated difficulties in explaining the use of two measures, even if these are combined in the manner described above. There is also an element of ‘sticking with what we’ve got’.

63 In light of the divergent views on the measurement of skill gaps, the question that must then be addressed is how to take matters forward from a harmonisation perspective.

64 As noted in the July 2004 ERE report, the heart of the problem is that, in contrast to vacancies, what constitutes internal skill gaps is relatively ill-defined in concrete terms and, to that extent, somewhat elusive. While recognising this, the ERE report recommended the continued use of the proficiency question for measuring the extent of skill gaps, for two main reasons:

- Relevance - Albeit they are not perfectly substitutable, 'proficiency' and 'skill' are synonyms for each other and there is considerable overlap between the dictionary meanings of the two words (Box E).
- Continuity - The proficiency measure is an established and feasible measure.

Box E Proficiency and skill: Synonyms

Proficiency	Skill
Skill	Proficiency
<i>Ability</i>	<i>Ability</i>
<i>Talent</i>	<i>Talent</i>
<i>Expertise</i>	<i>Expertise</i>
<i>Aptitude</i>	<i>Aptitude</i>
<i>Knack</i>	<i>Knack</i>
<i>Competence</i>	<i>Competence</i>
Adeptness	Dexterity
Know-how	Cleverness
	Flair
	Handiness
	Skilfulness

65 The proficiency measure has now been used in four Employer Skills Surveys in England (2001-2004 inclusive) and three in Scotland (2002-2004 inclusive). The fact that the proficiency measure is so well-established provides a strong, though not conclusive, rationale for its continued use in Skills Monitoring Surveys. By contrast, the relevance rationale has perhaps become less compelling over time. Primarily, this is because employers do not always view lack of proficiency as being equivalent to a lack of skills. Thus, in reporting on the ESS 2002 qualitative research, Hillage *et al* observed that:

Employers strongly associated the concept of proficiency ... with personal performance. A lack of proficiency was often described in terms of poor performance rather than with reference to the absence of a particular skill.

66 Similarly, in the 2002 Northern Ireland SMS, almost one in three (32 per cent) of those saying that a skills gap existed amongst their workforce also said that *all* of their employees were fully proficient.

67 It was for that reason that the July 2004 ERE report recommended a combined approach to the measurement of skill gaps, using both the proficiency question and the single direct skill gap question. In our view, the underlying rationale for that recommendation remains solid, that is, there is a need to refine and sharpen the focus of the existing measure for the extent of skill gaps.

68 An alternative way of doing this is to work within the existing framework of indicators, along the lines used to derive SSVs as a sub-set of current vacancies. For example, a lack of proficiency that results primarily or solely from staff being recently recruited could be excluded from the measurement of skill gaps within the establishment. Thus, in the revised questionnaire contained in Appendix A, an optional question (Q. 2(e)) has been added to the existing question on the reasons for lack of proficiency (Q. 2(d)), asking the respondent to give the *single main reason* for staff lacking proficiency in a particular occupation.

69 Another approach could be to discount lack of proficiency as a skill gap where respondents say that this is primarily due to employees not being in the job long enough *and* that lack of proficiency is not having any noticeable effect on the business.

70 The advantage of deriving skill gaps as a sub-set of lack of proficiency is that the measure could then be aligned more closely with problems that, for example, generate a training need, over and above what the establishment does anyway, for example, when new employees are recruited.

71 Refining the approach to measuring skill gaps would obviously entail a cost in terms of a discontinuity with previous Surveys. But Skills Monitoring Surveys have in any event shown themselves capable of evolving and changing. For example, the combined approach to measuring SSVs in NESS 2004 and NESS 2005 would clearly result in a discontinuity when compared with previous Surveys, albeit one that can be managed since unprompted SSVs are a defined subset of the combined SSVs.

72 The foregoing suggested revisions have been made within the context of the proficiency question. It will, nonetheless, be very interesting to see what emerges from ELWA's 2005 Survey. As noted above, ELWA are presently more inclined to use a skills gap formulation for measuring the extent of skill gaps by occupation, in preference to the term 'proficiency'.

Off-the-job Training

73 In contrast to the recruitment difficulties and skills gap modules, there was a substantial degree of consensus overall in respect of the harmonised questions for the off-the-job training module (Box C. See also Appendix B).

Box C Off-the-job Training

Topic	Feedback
Definition	DfES and SSDA concerned to widen scope of training module to encompass on-the-job training.
Number receiving training	Agreed.
Providers	DEL wishes to retain option to include more detail on the provider side. ELWA prefer this to be optional. Also, not interested in follow-up questions (albeit these are optional). Otherwise agreed.
Types of training	Agreed
Qualifications	ELWA finds this difficult for employers to answer. Otherwise agreed.
Expenditure	DfES and ELWA point to difficulties in obtaining this information.
Impacts	Broadly agreed.

74 Both DfES and SSDA evinced a desire to broaden the scope of the training module to encompass on-the-job training as well as off-the-job training, especially since the Learning and Training at Work survey will no longer be undertaken. The terms of reference for this study were to propose a harmonised approach to off-the-job training. It is, however, apparent that on-the-job training has been receiving greater attention in the Skills Monitoring Surveys. DEL's 2002 survey included a set of questions regarding on-the-job training. The Scottish surveys in 2003 and 2004 have asked employers about the provision of on-the-job training. There is therefore an evolving set of questions for the incorporation of on-the-job training in Skills Monitoring Surveys. The possibilities for a harmonised approach to such questions could be considered in the future.

Concluding Remarks

75 The foregoing review of feedback on the ERE recommendations for a harmonised set of skills monitoring questions can be summarised as follows:

- The main areas of disagreement are around the definition and measurement of current vacancies, SSVs and skill gaps.
- There was a fair degree of consensus in respect of the follow-up questions in the recruitment difficulties and skill gaps modules.
- The recommendations in respect of questions for off-the-job training were broadly accepted, albeit there was also a desire to develop common questions for on-the-job training.

76 Based on the analysis in this report, and the feedback that has been received to the July 2004 ERE recommendations, it would nonetheless appear feasible to develop a common or harmonised approach to the recruitment difficulties module. The revised questionnaire presented in Appendix A incorporates a compromise approach to the question of whether to define a vacancy.

77 Regarding the UK surveys, which are conducted at establishment level and by telephone, restricting the number of vacancy types is unlikely to act as a constraint on cross-country comparisons. Similarly, so long as appropriate checking procedures are in place, such comparisons are also likely to be possible regardless of whether a top-down or bottom-up approach is used. The main point of issue is the measurement of SSVs, but a possible common way forward on that front exists in the combined approach used in NESS 2004.

78 At this juncture, it will be more difficult to achieve a common way forward for the measurement of skill gaps. The reason for this is an absence of agreement on the adequacy of the term 'proficiency' as a proxy measure for the incidence and extent of skill gaps. While this issue has been logged in the revised questionnaire in Appendix A below, the skill gaps module in the revised questionnaire continues to be based on the proficiency question. Though, in our view, further refinement of the measurement of skill gaps is needed and suggestions have been made on how this might be approached.

79 The proficiency question is by now a well-established measure and has been used in seven Skills Monitoring Surveys to date. An alternative approach to measuring the *extent* of skill gaps has not yet emerged. But it will be very interesting to see what emerges from the 2005 Welsh survey. ELWA have indicated that they are inclined to move towards the use of the term 'skill gaps' rather than 'proficiency' and it will be very instructive to see how successful this approach proves to be in practice.

80 Though there are still issues to be addressed in relation to recruitment difficulties and skill gaps, the feedback to the ERE recommendations would also suggest a degree of consensus around the 'core' and 'optional' elements

of a harmonised approach to Skills Monitoring Surveys. The recommendations in that regard are set out in Box E below.

81 The 'core' questions within each module are primarily focused on the quantitative indicators for measuring incidence and extent. Notwithstanding the degree of consensus around the follow-up questions in the recruitment difficulties and skill gaps modules, the prospect of a harmonised approach hinges on reaching agreement on the definition and measurement of the quantitative indicators. It is difficult, if not impossible, to make cross-country comparisons in the absence of a common basis for measuring core indicators such as SSVs and skill gaps.

82 While it is possible to indicate the core and optional elements of a harmonised or common set of questions for Skills Monitoring Surveys, clearly there are still a number of important topics on which a range of views exist. With particular reference to the UK surveys, it would seem sensible to have a common basis for measurement of key concepts. Indeed, it is rather incongruous that, for example, a 'skill gap' should be defined differently in Northern Ireland and Wales than in England and Scotland.

83 The process to date, notably the October 2004 Workshop, has been useful in identifying areas in which agreement is possible, as well as highlighting the topics on which further discussion is required. Some progress has been made through this process in terms of developing a common set of questions that are available for use, on a non-binding basis, in Skills Monitoring Surveys. In addition, the opportunity for learning lessons from the approaches taken across the five countries, and indeed for reviewing, and at times questioning, existing approaches, would appear to have benefited the participants.

84 It would, therefore, seem appropriate for the various countries to meet again at an appropriate stage in the 2005 survey cycle, with a view to:

- Agreeing those questions on which sufficient consensus exists for a common approach;
- Further discussion of the more difficult topics, in particular by seeking to extract lessons learned from different approaches taken in the 2005 round of surveys.
- Sharing of approaches to and experience of other topics, such as on-the-job training and the product market strategies in NESS 2005. This provides the possibility of building up a 'bank' of questions in addition to the modules on which attention has been focused to date.

Box E Structure of a harmonised questionnaire

Core	Optional
Recruitment difficulties	
Current vacancies, incidence and extent	Duration of vacancy
Difficult-to-fill vacancies	Whether taking longer to fill than expected
Skill-shortage vacancies	
Causes of SSVs	
Skills difficult to obtain - SSVs	Skills difficult to obtain – all other D2F
	Measures taken
	Impacts
Skill gaps	
Incidence and extent	
Causes	Measures taken
Skills lacking	Impacts
Off-the-job training	
Incidence	
Number receiving training	Single question or by occupation
Providers	Options for follow-up questions, including additional 'local' detail
Types of training	Qualifications
	Expenditure
	Impacts

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Appendix A Proposed Harmonised Questionnaire – Revised Version

In the revised questionnaire presented below, questions highlighted in **Blue** are optional. Items requiring further discussion are highlighted in **Red**.

1. CURRENT VACANCIES AND RECRUITMENT DIFFICULTIES

- (a) I would now like to ask you about current vacancies at this establishment. Do you currently have any vacancies for either full or part-time staff?

Yes	1	Go to (b)
No	2	Go to next section

- (b) What method(s) of recruitment are you already using to fill your vacancies? (READ OUT, CODE ALL THAT APPLY)

Adverts in local/national newspapers	1	
Adverts in trade/specialist journals	2	
Government JobCentres	3	
Private recruitment agencies	4	
Word of mouth	5	
Advertising on the internet	6	
Internal recruitment service	7	
Waiting for transfer of staff	8	
Other (please specify)	9	
None of the above/not actively seeking recruits	10	Go to (c)
Don't know	11	

- (c) **ASK IF (b)=10: Why are you not actively seeking recruits for your current vacancies? (READ OUT, CODE ALL THAT APPLY)**

Waiting for approval	1
The position(s) are currently occupied/not available yet	2
Just haven't gotten around to it yet	3
Have already recruited/Waiting for someone to start	4
Have stopped/given up looking (because cannot find suitable recruits)	5
Other (please specify)	6

IF USING TOP-DOWN APPROACH AND NUMBER OF OCCUPATIONS IS RESTRICTED TO ≤ 6: QUESTIONS (d)-(f) AND ASSOCIATED CHECKS.

IF USING BOTTOM-UP APPROACH (NUMBER OF OCCUPATIONS CAN BE RESTRICTED OR UNRESTRICTED): QUESTIONS (g)-(j).

(d) IF (a) > 1: How many vacancies do you have in total?

Number of vacancies:		(1-99999)
I've recorded that as <INSERT NUMBER FROM (d)>. Is that correct?		
Yes	1	Continue
No	2	Re-ask (d)

(e) IF (a) > 1: In which specific occupations do you currently have vacancies at this establishment? PROMPT FOR FULL DETAILS (e.g. If 'manager' PROBE: what type of manager?) RECORD DETAILS FOR EACH OCCUPATION MENTIONED.

Occupation 1	<text>
Occupation 2	<text>
Occupation 3	<text>
Occupation 4	<text>
Occupation 5	<text>
Occupation 6	<text>

Calculate the number (J) of different occupations for which a vacancy exists at this establishment.	Insert J ≤ 6
--	---------------------

(f) ASK FOR EACH OF THE J OCCUPATIONS WITH A VACANCY: How many vacancies do you currently have for <OCCUPATION-j>? PROBE FOR BEST ESTIMATE

Number of vacancies:	(1-99999)
-----------------------------	------------------

IF J < 6: TOTAL OF ALL VACANCIES AT (f) MUST SUM TO TOTAL GIVEN AT (d).

IF J = 6: TOTAL OF ALL VACANCIES AT (f) MUST SUM TO LESS THAN TOTAL GIVEN AT (d)

IF NOT, PROMPT RESPONDENT WITH:

This sums to [Insert sum from (f)] but you just told me that you had [INSERT (d) TOTAL] vacancies in total THEN RE-ASK (f).

BOTTOM-UP APPROACH - NUMBER OF OCCUPATIONS CAN BE RESTRICTED OR UNRESTRICTED

- (g) *IF (a)>1: In which specific occupations do you currently have vacancies at this establishment? PROMPT FOR FULL DETAILS (e.g. If 'manager' PROBE: what type of manager?) RECORD DETAILS FOR EACH OCCUPATION MENTIONED.*

Occupation 1	<text>
Occupation 2	<text>
Occupation 3	<text>
Occupation 4	<text>
.....
Occupation J	<text>

Calculate the number (J) of different occupations for which a vacancy exists at this establishment.	Insert J
IF NUMBER OF OCCUPATIONS RESTRICTED	Insert J<=6

- (h) *ASK FOR EACH OF THE J OCCUPATIONS WITH A VACANCY: How many vacancies do you currently have for <OCCUPATION-j>? PROBE FOR BEST ESTIMATE*

Number of vacancies:	(1-99999)
----------------------	-----------

IF NUMBER OF OCCUPATIONS IS RESTRICTED AND J=6

- (i) **Do you have any other vacancies at this establishment, apart from the ones you have already told me about?**

IF NO: Enter zero

IF YES: How many other vacancies do you have, in addition to the ones you have already told me about?

Number of vacancies:	(0-99999)
----------------------	-----------

- (j) **That gives a total of <Insert number> current vacancies at this establishment. Does that sound right to you?**

IF NO, ASK FOR CORRECT TOTAL AND CHECK IF MISSING AN OCCUPATION OR INCORRECT NUMBER OF VACANCIES ENTERED FOR ANY OCCUPATION.

Yes	1	
No	2	INSERT CORRECTED TOTAL IN RELEVANT OCCUPATION(S)

Questions (k) and (l) and, optionally, (m) and (n), are asked in turn for each of the J occupations with a vacancy

(k) IF N OF OCCUPATION-j VACANCIES>1: Are any of these <OCCUPATION-j > vacancies proving difficult to fill? / IF N OF VACANCIES=1: Is the vacancy proving difficult to fill?

Yes	1
No	2

(l) IF N OF OCCUPATION-j VACANCIES>1: How many of the <N OF OCCUPATION-j> vacancies are proving difficult-to-fill?

Number of difficult-to-fill vacancies in <OCCUPATION-j>:	(1-99999)
--	-----------

(m) IF N OF VACANCIES=1: How long have you had this vacancy? IF N OF OCCUPATION-j VACANCIES>1: How long have you had these vacancies? PROMPT AS NECESSARY.

Less than 2 weeks	1
2 weeks to 1 month	2
1-2 months	3
2-3 months	4
3-6 months	5
More than 6 months	6

(n) IF N OF VACANCIES=1: Is the vacancy taking longer to fill than you had expected? IF N OF OCCUPATION-j VACANCIES>1: Are these vacancies taking longer to fill than you had expected?

Yes	
No	
Can't say	

If J>1, repeat questions (k) and (l) and, optionally, (m) and (n) for j = 2, ..., J.

Calculate the number (K) of different occupations for which a difficult-to-fill vacancy exists at this establishment.	Insert K
The follow-up questions are asked in turn for each of the K occupations with a difficult-to-fill vacancy Optionally, if K>2, select two of the difficult-to-fill vacancy types at random and ask the follow-up questions about these vacancy types.	

INTRODUCTION: I'd now like to ask you some questions about your difficult-to-fill vacancies / vacancy.

- (o) What are the main reasons that the <OCCUPATION-k> vacancy is proving difficult-to-fill? (DO NOT READ OUT. CODE ALL MENTIONED)**
- (p) OPTIONALLY, IF MORE THAN ONE REASON GIVEN: Of the reasons you have given, which is the single main reason for the difficulty in filling the vacancy in <OCCUPATION-k>? (CODE ONE ONLY)**

	(o)	(p)
Lack of skills the company demands	1	1
Lack of qualifications the company demands	2	2
Lack of work experience the company demands	3	3
Low number of applicants with the required attitude, motivation or personality	4	4
Not enough people interested in this type of work	5	5
Low number of applicants generally	6	6
Wages lower than other firms	7	7
Benefits trap/problem w/benefits	8	8
Location of the firm/poor public transport	9	9
Unattractive/poor terms and conditions of employment	10	10
Lack of/poor career progression	11	11
Job entails shift work /long/unsocial/irregular hours	12	12
Too much competition from other employers	13	13
Applicants lack basic ability to build upon	14	14
Other (WRITE IN)	15	15
No particular reason	16	16
Don't know	17	17

FOR COMBINED APPROACH TO MEASURING NUMBER OF SKILL-SHORTAGE VACANCIES

ASK IF NONE OF CODES (1), (2) OR (3) MENTIONED AT (o):

- (q) Can I just check, are you finding this <OCCUPATION-k> vacancy hard to fill because ? (READ OUT)**

Applicants have not been of sufficient quality	1
There have been few or no applicants	2
Or for both of these reasons	3
Neither of these reasons (DO NOT READ OUT)	4
Don't know	5

ASK IF (q) CODED 1 or 3 (THAT IS, LACK OF QUALITY):

- (r) You said that you had problems with the quality of the candidates for <OCCUPATION-k>. Would you say that they have been lacking ? (READ OUT. CODE ALL MENTIONED)

The skills you look for	1
The qualifications you look for	2
The work experience that you require	3
Or do applicants tend to have poor attitudes, motivation and/or personality	4
Don't know (DO NOT READ OUT)	5

THE SKILLS FOUND DIFFICULT TO OBTAIN QUESTION MUST BE ASKED IF THE <OCCUPATION-k> VACANCY IS A SKILL-SHORTAGE VACANCY.

The <occupation-k> vacancy is also a skill-shortage vacancy if:

- Any of the codes (1), (2) or (3) is identified at (o); **OR**,
- **(m)=1 or 3 AND (n)=1, 2 or 3.**

OPTIONALLY, THE SKILLS FOUND DIFFICULT TO OBTAIN QUESTION MAY ALSO BE ASKED IF THE <OCCUPATION-k> VACANCY IS NOT A SKILL-SHORTAGE VACANCY.

- (s) Which of the following skills, if any, have you found difficult to obtain from applicants for <OCCUPATION-k>? (READ OUT AND CODE ALL MENTIONED)

General IT user skills	1
IT professional skills	2
Communication skills	3
Customer handling skills	4
Team working skills	5
Problem solving skills	6
Management skills	7
Using numbers	8
Literacy skills	9
Other technical and practical skills	10
None	11
Any other difficulties (WRITE IN)	12
(DO NOT READ OUT) Don't know	13

THE MEASURES TAKEN QUESTION IS OPTIONAL.

IF THE MEASURES TAKEN QUESTION IS USED, IT MUST BE ASKED IF THE <OCCUPATION-k> VACANCY IS A SKILL-SHORTAGE VACANCY. DEPENDING ON THE TIME AVAILABLE, THE QUESTION MAY ALSO BE ASKED IF <OCCUPATION-k> IS NOT A SKILL-SHORTAGE VACANCY.

- (t) **Have you taken, or do you plan to take, any measures in response to the difficulties in filling the <OCCUPATION-k> vacancy, over and above what you would normally do in seeking to fill a vacancy of this type?**

Yes (Have taken or plan to take, additional steps)	1	Go to (u)
No (Not doing, or going to do, anything additional)	2	Go to (t)

- (u) **What measures have you taken? (DO NOT READ OUT. CODE ALL MENTIONED)**

Changed job specification		
Offered higher pay or more incentives than normal	1	
Offered enhanced terms and conditions	2	
Considered a wider range of applicants	3	
Changed the job specification by giving some of the tasks to other staff	4	
Changed the job specification by automating some of the tasks	5	
Changed recruitment practices		
Hired part-time staff	6	
Hired contract staff	7	
Built links with schools/colleges/universities	8	
Used more extensive range of recruitment channels than normal	9	
Spent more on recruitment or used more expensive methods	10	
Recruited staff from overseas	11	
Training activity		
Been prepared to provide more training to less qualified recruits	12	
Retrain existing staff	13	
Contracted work out		14
Other (WRITE IN)	15	

- (v) **Why have you not taken, or do not plan on taking, any special measures?**

Nothing that can be done	1
Too early in the process	2
Other (WRITE IN)	3

If $K > 1$, repeat questions (o) to (v) for $k = 2, \dots, K$.

Optionally, repeat once only if two occupations with difficult-to-fill vacancies have been randomly selected.

THE IMPACTS QUESTION IS OPTIONAL. IF USED, IT SHOULD BE ASKED ON A GLOBAL BASIS. THIS WILL HAVE TO BE WITH REFERENCE TO ALL DIFFICULT-TO-FILL VACANCIES, AS THE RESPONDENT WILL NOT BE AWARE THAT SOME DIFFICULT-TO-FILL VACANCIES HAVE BEEN CLASSIFIED AS SKILL-SHORTAGE VACANCIES.

(w) ASK ALL WITH 1+ DIFFICULT-TO-FILL VACANCIES: Generally speaking, how much of an impact are your difficult-to-fill vacancies/is this difficult-to-fill vacancy having on this establishment? (READ OUT AND CODE ALL MENTIONED)

	A major impact	1
	A minor impact	2
	No impact	3
	(DO NOT READ OUT) Don't know	4

(x) ASK IF (w)=1, 2 OR 4: Are your difficult-to-fill vacancies/is this difficult-to-fill vacancy causing this establishment any of the following problems ? (READ OUT AND CODE ALL MENTIONED)

	Loss of business or orders to competitors	1
	Delays developing new products	2
	To withdraw from offering certain products or services altogether	3
	Difficulties meeting customer service objectives	4
	Difficulties meeting required quality standards	5
	Increased operating / running costs	6
	Difficulties introducing technological change	7
	Difficulties introducing new working practices	8
	No particular problems	9
	Other (please specify)	10
	(DO NOT READ OUT) Don't know	11

2. SKILL GAPS

I'D NOW LIKE TO TURN TO THE SKILLS WITHIN YOUR EXISTING WORKFORCE. PLEASE DO NOT THINK ABOUT ANY EXTERNAL RECRUITMENT PROBLEMS THAT YOU MAY FACE.

- (a) **ASK ALL.** Overall, and thinking about your current employees, would you say that there is a gap between the types of skills that your current employees have now, and those that your company needs to meet its business objectives?

Yes	1	Go to (b)
No	2	Go to (c)

- (b) **How significant is this skills gap, in terms of the effect on your establishment's ability to meet its business objectives? Would you say that the skills gap is having a**
(READ OUT. CODE ONE ONLY)

Very significant/major effect	1
Significant effect	2
Minor effect	3
No real effect	4

BASED ON THE FEEDBACK TO THE JULY 2004 DRAFT RECOMMENDATIONS, THE ISSUE HAS BEEN RAISED AS TO WHETHER TO CONTINUE TO POSE THE FOLLOWING QUESTIONS IN TERMS OF PROFICIENCY, OR INSTEAD TO REFER EXPLICITLY TO SKILL GAPS.

EARLIER ON YOU BROKE DOWN THE NUMBER OF STAFF AT THIS SITE INTO BROAD CATEGORIES. IN EACH CATEGORY I'D LIKE TO KNOW WHAT PROPORTION YOU THINK ARE FULLY PROFICIENT AT THEIR JOB. BY 'A PROFICIENT EMPLOYEE' I MEAN SOMEONE WHO IS ABLE TO DO THE JOB TO THE REQUIRED LEVEL.

- (c) **ASK ALL, ASKING FOR EACH OCCUPATION WITH 1+ EMPLOYEES.** How many of your existing [INSERT NUMBER] employees in <OCCUPATION> [FROM QUESTION ON EMPLOYMENT BY OCCUPATION] would you regard as fully proficient at their job?

Managers (ADD IF NOT PRIVATE SECTOR: and senior officials)	0-NUMBER GIVEN AT EMPL BY OCCUP
Professional occupations	"
Associate professional and technical occupations	"
Administrative and secretarial occupations	"
Skilled trades occupations	"
Personal service occupations	"
Sales and customer service occupations	"
Process, plant and machine operatives	"
Elementary occupations	"

IF MORE THAN ONE OCCUPATION LACKS FULL PROFICIENCY, ASK THE FOLLOWING FOR OCCUPATION(S) WITH 1+ EMPLOYEES LACKING PROFICIENCY. DEPENDING ON THE AVAILABLE INTERVIEWING TIME, ALL OR A SUB-SET OF OCCUPATIONS MAY BE SELECTED. IF A SUB-SET OF OCCUPATIONS IS SELECTED, THIS SHOULD BE DONE USING RANDOM SELECTION.

- (d) **What are the main causes of some of your <occupation> not being fully proficient in their job?** (READ OUT AND CODE ALL MENTIONED)
- (e) **OPTIONALLY, IF MORE THAN ONE REASON GIVEN: Of the reasons you have given, which is the single main reason for some of your <OCCUPATION-k> not being fully proficient?** (CODE ONE ONLY)

	(d)	(e)
Failure to train and develop staff	1	1
Recruitment problems	2	2
High staff turnover	3	3
Inability of workforce to keep up with change	4	4
Lack of experience or staff being recently recruited	5	5
Training programmes only partially completed	6	6
Other (WRITE IN)	7	7
No particular reason	8	8

- (f) **Is the fact that some of your staff in <occupation> are lacking in proficiency the result of changing skill needs for any of the following reasons ...?** (READ OUT AND CODE ALL MENTIONED)

The development of new products and services	1
The introduction of new working practices	2
The introduction of new technology	3
None of these	4

- (g) **And still thinking about your <occupation> who are not fully proficient which, if any of the following skills do you feel need improving? (READ OUT AND CODE ALL MENTIONED)**

General IT user skills	1
IT professional skills	2
Communication skills	3
Customer handling skills	4
Team working skills	5
Problem solving skills	6
Management skills	7
Using numbers	8
Literacy skills	9
Other technical and practical skills	10
None	11
Any other difficulties (WRITE IN)	12
(DO NOT READ OUT) Don't know	13

THE REMAINING QUESTIONS IN THIS MODULE ARE OPTIONAL.

- (h) **Thinking more generally now about staff at all levels of the establishment, which of the following measures, if any, have you taken at this establishment to overcome lack of full proficiency amongst some of your staff? (READ OUT AND CODE ALL MENTIONED)**

Increased recruitment	1
Providing further training/development	2
Changing working practices	3
Reallocating work within the company	4
Expand recruitment channels	5
Increase/expand trainee programmes	6
Any other (WRITE IN)	10
(DO NOT READ OUT) No particular measures taken	11
(DO NOT READ OUT) Don't Know	12

- (i) **Is the fact that some of your staff are not fully proficient causing this establishment any of the following problems? (READ OUT AND CODE ALL MENTIONED)**

Loss of business or orders to competitors	1
Delays developing new products	2
To withdraw from offering certain products or services altogether	3
Difficulties meeting customer service objectives	4
Difficulties meeting required quality standards	5
Increased operating / running costs	6
Difficulties introducing technological change	7
Difficulties introducing new working practices	8
No particular problems	9
Other (please specify)	10
(DO NOT READ OUT) Don't know	11

- (j) **ASK ALL. IF ANY STAFF NOT FULLY PROFICIENT ASK: Which of the following barriers would you say may exist to your developing a more proficient team of staff in the future... READ OUT? CODE ALL THAT APPLY. IF ALL STAFF FULLY PROFICIENT ASK: Which of the following barriers would you say may exist to your maintaining a proficient team of staff in the future ... READ OUT? CODE ALL THAT APPLY.**

Lack of funding for training	1
Lack of suitable courses in my area	2
Lack of suitable courses generally	3
Unwillingness of staff to undertake training	4
High staff turnover	5
Lack of time for training	6
Lack of cover for training	7
Any other (WRITE IN)	8
(DO NOT READ OUT) No particular measures taken	9
(DO NOT READ OUT) Don't Know	10

3. OFF-THE-JOB TRAINING

I AM NOW GOING TO ASK YOU SOME QUESTIONS ABOUT OFF-THE-JOB TRAINING. BY OFF-THE-JOB TRAINING, WE WANT YOU TO INCLUDE ALL TRAINING THAT WAS DELIVERED AWAY FROM THE IMMEDIATE WORK POSITION. IT CAN BE GIVEN AT YOUR PREMISES OR ELSEWHERE. IT INCLUDES ALL SORTS OF COURSES – FULL OR PART-TIME; CORRESPONDENCE OR DISTANCE LEARNING; HEALTH AND SAFETY TRAINING AND SO ON – AS LONG AS IT IS FUNDED OR ARRANGED BY YOUR ORGANISATION FOR EMPLOYEES WORKING AT THIS LOCATION.

- (a) **ASK ALL.** Has your organisation funded or arranged any off-the-job training for any of your employees over the past 12 months?

Yes	1	Go to (b)
No	2	Go to (c)

- (b) **Why have you not arranged or funded any off-the-job training for your employees over the past 12 months. Is it because (READ OUT. CODE ALL THAT APPLY)**

Staff have sufficient skills to do their job	1
Cost of off-the-job training	2
Time constraints	3
No money available for training	4
There is no suitable training available	5
Lack of information on training available	6
Other training method preferred (e.g. on-the-job training)	7
Trained staff will be poached by other employers	8
Other (WRITE IN)	9

- (c) **For how many of your employees at this establishment have you funded or arranged off-the-job training over the past 12 months? PROBE FOR BEST ESTIMATE**

Number of employees:	(1-99999)	E=Estimate
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- (d) **Over the past 12 months, about how many days off-the-job training have you funded or arranged for each person receiving such training? PROBE FOR BEST ESTIMATE**

Number of days:	(1-99999)	E=Estimate
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- (e) **Over the past 12 months, about how many days off-the-job training have you funded or arranged in total? PROBE FOR BEST ESTIMATE**

Number of days:	(1-99999)	E=Estimate
-----------------	-----------	------------

- (f) **ASK FOR EACH OCCUPATION WITH 1+ EMPLOYEES. Have any of your <OCCUPATION> received any off-the-job training in the past 12 months?**
- (g) **IF YES. For how many of your <OCCUPATION> has this establishment funded or arranged training away from the immediate work position over the past 12 months? CHECK TOTAL AGAINST (c) ABOVE.**

	(i)		(j)
	Yes	No	Number.
Managers (ADD IF NOT PRIVATE SECTOR: and senior officials)	1	2	
Professional occupations	1	2	
Associate professional and technical occupations	1	2	
Administrative and secretarial occupations	1	2	
Skilled trades occupations	1	2	
Personal service occupations	1	2	
Sales and customer service occupations	1	2	
Process, plant and machine operatives	1	2	
Elementary occupations	1	2	

- (h) **Which of the following types of training has your organisation funded or arranged for employees at this location over the past 12 months? (READ OUT. CODE ALL THAT APPLY)**

Induction training	1
Health and safety / first-aid training	2
Job specific training	3
Supervisory training	4
Management training	5
Training in new technology	6
Training in foreign languages	7
Soft generic skills	8
Other (WRITE IN)	9

- (i) **Which of the following have you used to provide the training you have funded or arranged from this location in the past 12 months? Has it been provided by ? (READ OUT. CODE ALL THAT APPLY)**

Staff at this site	1
IF MULTI-SITE AND PRIVATE/VOLUNTARY: Dedicated training centre that is wholly owned by the organisation this company is part of IF MULT-SITE AND PUBLIC: A dedicated government or local authority training centre (that is not at this site)	2
External consultants / training providers	3
FE college	4
Some other body or organisation (Please specify)	5

QUESTIONS (j) AND (k) ARE OPTIONAL FOLLOW-UP QUESTIONS ON PROVIDERS. OTHER QUESTIONS COULD ALSO BE INCLUDED.

- (j) Have you found any difficulty over the last year in finding an appropriate training provider for the training you need to do – by appropriate I mean capable of providing the right type of training or the quality you require? (CODE ONE ONLY)**

Yes	1	Go to (k)
No, have not experienced any difficulty	2	Go to (l)
Don't know	3	Go to (l)

- (k) What types of training needs have you found difficult to satisfy through providers outside your organisation? (CODE ALL THAT APPLY)**

Finding relevant courses	1
First aid/ health and safety	2
Provider not available locally	4
IT	5
Job specific	6
NVQ training	7
Other (please specify)	8

- (l) Did any of the training that you funded or arranged for employees over the past 12 months at this location lead towards a recognised qualification?**

Yes	1	Go to (m)
No	2	Go to (n)
Don't know	3	Go to (n)

- (m) IF LEADS TO QUALIFICATIONS. Which of the following qualifications were these?**

NVQs / SVQs / NCVAs (as applicable)	1
Other nationally recognised qualifications e.g. RSA, BTEC, City & Guilds	2
Qualifications specific to your company	
Industry recognised qualifications (e.g. Microsoft accredited)	
Higher qualifications such as a degree	
Other (WRITE IN)	

- (n) OPTIONAL. Over the past 12 months, how much has this establishment spent in total on off-the-job training of staff? Please include only out-of-pocket expenses, not staff time. PROBE FOR BEST ESTIMATE**

Number of days:	(1-99999)	E=Estimate
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- (o) How does the amount that you spent in the last 12 months compare with the previous 12 months? Has there been (READ OUT. CODE ONE ONLY)

A major increase	1	Go to (p)
A minor increase	2	
No increase or decrease	3	
A minor decrease	4	
A major decrease	5	Go to (p)
(DO NOT READ OUT) Don't know/Cannot say	6	

- (p) IF (o) = 1 OR 5. Could you say why there has been a major <increase/decrease as appropriate>?

Write in reason given.

THIS IS AN ALTERNATIVE TREND QUESTION:

- (q) Do you spend more, less or about the same per employee than you did three years ago? (CODE ONE ONLY)

More	1
Less	2
About the same	3
Don't know	4
Not been in operation for 3 years	5

QUESTIONS (r) AND (s) ARE OPTIONAL RESULTS EXPECTED/ACHIEVED QUESTIONS

- (r) Could you say which of the following benefits you were hoping to achieve from the off-the-job training that you have funded in the past 12 months? (**READ OUT. CODE ALL THAT APPLY**)
- (s) (**ASK FOR EACH ITEM TICKED AT (n), EXCEPT FOR 'NONE OF THE ABOVE'**) What impact has the off-the-job training had on your firm in this area? Has there been a major effect, a minor effect, or no effect to date?

	(n)	(o)		
	Expected	Impact		
		Major	Minor	None to date
Increase/upgrade workforce skill levels	1	1	2	3
Improved management capabilities	2	1	2	3
Faster development of new products	3	1	2	3
Better able to introduce new products or services/expand existing range	4	1	2	3
Improved ability to meet customer service objectives	5	1	2	3
Improved ability to meet required quality standards	6	1	2	3
Reduced operating / running costs	7	1	2	3
Introducing technological change	8	1	2	3
Introducing new working practices	9	1	2	3
Improved employee motivation	10	1	2	3
Increased workforce productivity	11	1	2	3
None of the above – training was to meet regulatory/other requirements	12			

Appendix B Summary of Feedback on Draft Recommendations

The draft recommendations discussed at the October 2004 workshop are colour-coded as follows:

Red Identifies proposed core questions (in terms of the primary objectives of skills monitoring surveys), that would be asked whenever a skills monitoring survey is undertaken.

Blue These are also proposed core questions, but would not necessarily need to be asked on each occasion that a skills monitoring survey is undertaken.

Green These are optional questions for a harmonised skills monitoring survey.

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Current vacancies			
Whether to define a vacancy	Provide a definition, based on employer search model (paras 3.6-3.25)	RoI NI – DEL to investigate effect of including/excluding a definition	SC – not convinced that would significantly improve data quality. Risk of confusing – and even irritating – employers by making question longer and more complex. Also, ESS02 qualitative work suggests that there is little if any confusion about what constitutes a vacancy. Definition therefore seems to do more harm than good. SSDA – Cognitive work showed that definition was not a problem. DfES – would consider adding a form of definition e.g. ‘actively seeking to fill the vacancy’, but the suggested definition feels too narrow. LSC

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
			ELWA – Remain to be convinced. Can't see any debate amongst employers.
Occupations – restricted or unrestricted?	Unrestricted (Paras 3.26-3.31, 3.140)	RoI, NI	<p>SC – impact on length of interview for employers with many types of vacancies, introducing more repetition with the potential to irritate these employers.</p> <p>SSDA – Time implications for larger employers, limited data analysis advantages</p> <p>DfES – Potential impact on response rates of large employers</p> <p>ELWA – Restricting to six – lets employers know in advance.</p> <p>LSC</p>
Estimate on top-down or bottom-up basis?	Bottom-up and confirm with respondent (paras 3.32-3.34)	RoI, NI, SSDA, DfES	<p>SC – as above.</p> <p>ELWA – follows from previous LSC</p>
Difficult-to-fill			

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
<p>Global filter question, or ask per occupation</p>	<p>Ask per occupation (paras 3.39-3.44)</p>	<p>Rol, NI, SC, DfES SSDA - Ask per occupation to see if makes difference to next NESS ELWA – Preference, but concerns about effect on length. Currently using global filter question.</p>	<p>LSC? Continuing to use the global filter in NESS 05.</p>
<p>How many within each occupation, or assign on an all-or-nothing basis</p>	<p>Ask how many within each occupation (paras 3.45-3.48)</p>	<p>Rol, NI, SC, DfES, SSDA, ELWA, LSC</p>	
<p>SSVs – the Scottish approach, or via the causes question</p>	<p>Derive from the causes question (paras 3.49-3.57)</p>	<p>Rol, SSDA, DfES NI – Probably agree, but await findings of NESS 04 ELWA - Going with single question approach for 2005 survey.</p>	<p>SC - Do not accept the arguments put forward for a spontaneous as opposed to a prompted measure. Issue about whether a spontaneous measure is effective in ensuring that all skills-related reasons are picked up – sole reliance on single question would understate number of SSVs. View is that spontaneous question styles for</p>

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
			<p>questions of this importance are not best practice. LSC – using combined unprompted causes question and Scottish approach in 2005 survey, similar to 2004.</p>
<p>Duration of the vacancy and whether taking longer to fill than expected</p>	<p>Optional</p>	<p>Rol, SC, SSDA, DfES (may ask occasionally) NI - Depends on availability of space in questionnaire. ELWA - As long as keep it optional.</p>	
<p>Qualitative indicators</p>			
<p>Sampling of occupations with 1+ D2F</p>	<p>This can be an option, albeit not the preferred approach (paras 3.64-3.69)</p>	<p>Rol – sampling would not be done with a postal survey NI – prefer not to sample SC – ask causes for all, skills sought only for SSVs SSDA - ask skills sought only of those with SSVs.</p>	<p>DfES – prefer to limit to following up on six, as in ESS01, again due to the burden on large employers.</p>
<p>Causes of D2F</p>			

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Prompted or unprompted	Unprompted (para 3.59)	NI, SC, SSDA, DfES, ELWA	RoI – would be prompted in a postal questionnaire
Phrasing of the question	Refer to ‘main causes’, as in NESS 2003 (para 3.62)	RoI, NI, SSDA, DfES, ELWA	
Coding frame	See Box 3.3	RoI, NI, SSDA, DfES	ELWA – treatment of ‘Basic ability to build upon’ – more skills-related?
Skills difficult to obtain			
Phrasing and placing of the question	See Box 3.5, paras 3.87-3.88	RoI, SC, DfES, ELWA NI – OK with phrasing, unsure about placing	SSDA – ask only of SSV employers
Prompted or unprompted	Prompted (para 3.77)	RoI, NI, SC, SSDA, DfES, ELWA	
Coding frame	See Box 3.5 and paras 3.78-3.86	RoI, SC, NI (probably), SSDA, DfES, ELWA	
Measures taken			
Phrasing and placing of the question	Two-stage approach – any measures taken? If so,	RoI, NI, SC, SSDA, DfES	ELWA – for 2005 survey, using single question approach

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
	what are these? (paras 3.129-3.136)		
Prompted or unprompted	Prompted filter, unprompted follow-up (paras 3.121-3.127)	RoI, NI, SC, DfES, SSDA (but concern about length of coding frame), ELWA (ok with unprompted for follow-up)	
Coding frame	Scotland 2003 (para 3.128)	RoI, NI, SC, SSDA, DfES	
Global or occupation-specific	Occupation-by-occupation (paras 3.105-3.120)	RoI, NI, SSDA, DfES, SC (but want to retain option of alternating between global and occupation-specific, as have done in the past)	ELWA – going with global due to length of interview constraints
Impacts			
Placing of the question	Last of the follow-up questions	RoI, NI, SC, SSDA, DfES, ELWA	
Global or occupation-specific	Global (paras 3.93-3.99)	RoI, NI, SSDA, DfES, ELWA, SC (again, want to retain option of alternating between global and occupation-specific)	

The recruitment difficulties module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Prompted or unprompted	Prompted (para 3.100)	RoI, NI, SC, SSDA, DfES, ELWA	
Coding frame and the question to be asked	Box 3.7 and paras 3.101-3.103	RoI, NI, SC, SSDA, DfES, ELWA	
Reference period			
Use of a one year reference period	Optional (paras 3.144-3.151, Figure 3.21)	RoI NI – depends on available space	SC – very unlikely would ever use this section – recall difficulties. SSDA – Recognise value of capturing more employers over the reference period, but feel this is undermined by the lack of accuracy in the reporting/recall of this type of information. DfES – Not really interested in this due to length of survey and recall problems. LSC ELWA – Recall issue plus effect on length of interview. Can't see this being required.

The skills gap module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Incidence			
Use of single direct question, proficiency question by occupation, or both	Ask both (paras 4.33-4.42)	SSDA – if timing not compromised too much, agree let's get the added data.	<p>ELWA – looking for a single approach.</p> <p>LSC – two definitions would confuse matters, and represent too great a change compared to just using the proficiency question.</p> <p>DfES – Prefer the proficiency question. If you have two uncorrelated measures explaining them in the report becomes difficult.</p> <p>SC – Not convinced of the need to have the two measures of skill gaps. Given the difficulty of explaining the distinction between the two measures to our audience it's unlikely we would ever report on more than one. Our preference would be to stick with the measure which we've used in the past and</p>

The skills gap module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
			<p>which yields the most value in terms of follow-up questions. DEL – confusing results, especially in light of NI 2002 findings i.e. employers reported skills gap and then said staff were fully proficient!</p>
Extent			
<p>Measuring the extent of skill gaps</p>	<p>Proficiency question (para 4.39)</p>	<p>SC, LSC, DfES, SSDA</p>	<p>ELWA – Extent of difficulties in implementing the proficiency question in cognitive interviews for 2005 survey – not convinced that measuring skill gaps. DEL – requirement to measure extent – agreed. Is proficiency the only/best method to do this? Could we use the model of questions, but use phrase ‘skill gap’ instead of proficiency? If not, do we need to add preamble to ensure link between these two is made?</p>
Selection of occupations			

The skills gap module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
What procedure to use for selecting occupations for follow-up questions	Random sampling where 2+ occupations lack proficiency (paras 4.43-4.52)	SC, LSC, ELWA, DfES, SSDA	DEL – preference to ask all occupations and NOT sampling.
Causes			
Ask always or occasionally	Always	SC, ELWA, SSDA, DEL	DfES – 75 per cent of gaps are due to staff being new. This does not justify policy intervention. Need to explore this further to see if it is a real problem, or temporary. About 30 per cent of establishments see no impact from gaps – again – is this just because staff are getting up to speed and the gap is inevitable?
Phrasing and placing of the question	See Box 4.3 - Separate into two – main causes, changing skill needs	SC, DfES, SSDA DEL – OK with phrasing – concern about placing – should skills not be identified first?	
Coding frame	Box 4.3	SC, DfES, SSDA, DEL	

The skills gap module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Prompted or unprompted	Prompted	SC, DfES, SSDA, DEL	ELWA – using unprompted
Skills need improving			
Prompted or unprompted	Prompted (para 4.74)	SC, ELWA, DfES, SSDA, DEL	
Phrasing and coding frame	See Box 4.5	SC, ELWA, DfES, SSDA, DEL	
Measures taken			
Phrasing and coding frame	See Box 4.7	SC, ELWA, DfES, SSDA, DEL	
Prompted or unprompted	Prompted (para 4.80)	SC, ELWA, DfES, SSDA, DEL	
Global or occupation-specific	Global (para 4.65)	DfES, SSDA, DEL SC – practice has been to switch between global and occupation-specific measures.	ELWA – constrained by length of interview
Impacts			
Phrasing and coding frame	See Box 4.9	SC, DfES, SSDA, DEL, ELWA (OK with this, but keep it optional – not	

The skills gap module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
		using for 2005 survey)	
Prompted or unprompted	Prompted (para 4.81)	SC, DfES, SSDA, DEL, ELWA (see above)	
Global or occupation-specific	Global (para 4.66)	DfES, SSDA, DEL, ELWA (see above)	

The off-the-job training module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Incidence			
Definition	As current (paras 5.11-5.14)	SC, RoI, DEL ELWA – This is what using, but it's not perfect e.g. e-training. DfES – broadly agree but our training questions are under review in an attempt to ask more Learning and Training at Work-type questions on an occasional basis.	SSDA – Not convinced we have had a sufficient discussion to confirm that the focus should just be off-the-job training? Learning and Training at Work has measured both in the past. In context of making training more flexible is this right?
Number receiving training			
Single question or occupation-by-occupation	Either approach can be used, depending on objectives (paras 5.15-5.18)	DfES, SC, DEL ELWA – number of days is problematic SSDA – Employers do seem to have more resonance with occupationally-focused questions, but this can add to length so probably should be optional and	

The off-the-job training module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
		level of detail varied each year? RoI - occupation-by-occupation possible in a postal questionnaire.	
Providers			
Phrasing of the question and coding frame	See Box 5.2	SC, RoI DfES – broadly agree, but in discussion with LSC on what is needed on this. SSDA – Agree as many of these substantially tested, but do we need more tailoring to on-the-job questions too?	DEL – the level of detail for each training provider in the current NI questionnaire has been useful to make cross-sector comparisons e.g. sectors that use STCs, DEL, etc. ELWA – should be optional
Prompted or unprompted	Prompted (para 5.26)	SC, DfES, SSDA, RoI, DEL	ELWA – should be optional
Follow-up questions	Optional	SC, SSDA, DEL (depends on available space)	ELWA – not necessary
Types of training			
Phrasing of the question and coding frame	See Box 5.4	SC, ELWA, DfES, SSDA, RoI, DEL	

The off-the-job training module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Prompted or unprompted	Prompted (para 5.27)	SC, ELWA, DfES, SSDA, RoI, DEL	
Qualifications			
Whether training leads to qualifications and types of qualifications	Optional	SC, DfES, SSDA DEL – depends on available space RoI – Asking this would give more information on the results of training	ELWA – difficult for employers to answer. Plus timing issue.
Expenditure			
Asking about amount spent	Optional	SC, SSDA RoI – Using a postal questionnaire gives respondents time to answer this question DEL – would consider, based on available space	ELWA – difficult for employers to answer. DfES – awaiting research outcomes from IER. We need a more in-depth method for gathering this information.
Trend question	Optional	SC, SSDA ELWA – OK, but can't fit in to 2005 survey – timing DEL – would consider, based on available space	DfES

The off-the-job training module – Summary of feedback on draft recommendations

Issue	Recommendation	Agree	Disagree
Results expected / achieved			
Coding frame	Optional	SC, SSDA DfES – would like to see something like this piloted DEL – would consider, based on available space	ELWA – overall, want less rather than more.

Appendix C Draft Recommendations for Feedback

The following tables provide a summary of the recommendations made in the July 2004 draft ERE report *Towards a Harmonised Skills Monitoring Survey*.

The recommendations are summarised under three headings:

- Recruitment difficulties.
- Skill gaps.
- Off-the-job training.

For each of the sub-modules within these three headings, the following information is provided:

- Issue to be addressed.
- The recommendation, referenced to the paragraphs of the report in which the recommendation is discussed.
- The rationale for the recommendation.

The sub-modules are also colour-coded as follows:

Red Identifies core questions (in terms of the primary objectives of skills monitoring surveys), that would be asked whenever a skills monitoring survey is undertaken.

Blue These are also core questions, but would not necessarily need to be asked on each occasion that a skills monitoring survey is undertaken.

Green These are optional questions for a harmonised skills monitoring survey.

The recruitment difficulties module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
Current vacancies	Whether to define a vacancy	Provide a definition, based on employer search model (paras 3.6-3.25)	Primarily, want to ensure a common understanding amongst respondents of the scope and meaning of a current vacancy. Enhance the accuracy of the vacancy estimates.
	Occupations – restricted or unrestricted?	Unrestricted (Paras 3.26-3.31, 3.140)	Very few establishments report more than six vacancies. But increasing use of sampling of occupations for D2F follow-up questions – establishing correct base for weighting to adjust for this.
	Estimate on top-down or bottom-up basis?	Bottom-up and confirm with respondent (paras 3.32-3.34)	Total vacancies question redundant if number of occupations is left unrestricted.
Difficult-to-fill	Global filter question, or ask per occupation	Ask per occupation (paras 3.39-3.44)	Accuracy - filter question may under-estimate incidence of D2F (compare NESS 2003 with ESS 2001).
	How many within each occupation, or assign on an all-or-nothing basis	Ask how many within each occupation (paras 3.45-3.48)	Accuracy - assigning on an all-or-nothing basis may over-estimate number of D2Fs
	SSVs – the Scottish approach, or via the causes question	Derive from the causes question	Conceptually equivalent. Simpler approach recommended. Possibility of a combined

The recruitment difficulties module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
		(paras	approach as in NESS 2004.
	Duration of the vacancy and whether taking longer to fill than expected	Optional	Useful as validation check on D2Fs
Qualitative indicators	Sampling of occupations with 1+ D2F	This can be an option, albeit not the preferred approach (paras 3.64-3.69)	Sampling of occupations introduces another design effect into what is already a complex survey. Need a weighting factor when this is done. Optionally, and to save on interviewing time, could pose the causes question for all occupations with 1+ D2F but with follow-up only for occupations those that are identified from the causes question as SSV (see paras 3.72 to 3.76)
Causes of D2F	Prompted or unprompted	Unprompted (para 3.59)	Current practice, hence preserving continuity. Wide range of possible responses, so difficult to use prompted in any event.
	Phrasing of the question	Refer to 'main causes', as in NESS 2003 (para 3.62)	Emphasis imparted by 'main' – greater confidence in salience of skills-related reasons
	Coding frame	See Box 3.3	Based on trawl of UK surveys – each item

The recruitment difficulties module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
			has been mentioned by at least 5 per cent of respondents.
Skills difficult to obtain	Phrasing and placing of the question	See Box 3.5, paras 3.87-3.88	Consistency with flow of questions on D2F vacancies.
	Prompted or unprompted	Prompted (para 3.77)	Comparability
	Coding frame	See Box 3.5 and paras 3.78-3.86	Shorter coding frame for prompted question. Note also that a common approach to rotation of items is needed.
Measures taken	Phrasing and placing of the question	Two-stage approach – any measures taken? If so, what are these? (paras 3.129-3.136)	Mainly, asking if any measures taken enhances focus on the additional measures taken in response to D2F/SSV, over and above what would normally do.
	Prompted or unprompted	Prompted (paras 3.121-3.127)	Comparability
	Coding frame	Scotland 2003 (para 3.128)	Reflects main strategies of interest
	Global or occupation-specific	Occupation-by-occupation (paras 3.105-3.120)	Accuracy – measures taken tend to vary by occupation.
Impacts	Placing of the question	Last of the follow-up questions	Asking on a global basis

The recruitment difficulties module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
	Global or occupation-specific	Global (paras 3.93-3.99)	Effectively, asking respondents to make a 'what-if' calculation. Asking globally is more efficient.
	Prompted or unprompted	Prompted (para 3.100)	Comparability. Also, when left unprompted, respondents tend to emphasise 'strain on management of existing staff', which is more an adaptive response than an impact on business development, output and/or costs.
	Coding frame and the question to be asked	Box 3.7 and paras 3.101-3.103	More succinct coding frame, in context of prompted question.
Reference period	Use of a one year reference period	Optional (paras 3.144-3.151, Figure 3.21)	Addresses low incidence of current D2Fs and SSVs

The skills gap module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
Incidence	Use of single direct question, proficiency question by occupation, or both	Ask both (paras 4.33-4.42)	Difficulties in measuring internal skill gaps – suggests use of more than one indicator. Also, can cross-classify direct question with proficiency results to get a 'narrow' definition of internal skill gaps.
Extent	Measuring the extent of skill gaps	Proficiency question (para 4.39)	Now widely used, shown to produce results
Selection of occupations	What procedure to use for selecting occupations for follow-up questions	Random sampling where 2+ occupations lack proficiency (paras 4.43-4.52)	Random sampling should minimise design effects. Better basis for comparability. Also more flexible. Setting a threshold of two occupations likely to make a pronounced difference to follow-up rate.
Causes	Ask always or occasionally	Always	Distinguishing between transitory and non-transitory proficiency problems (para 4.72)
	Phrasing and placing of the question	See Box 4.3 - Separate into two – main causes, changing skill needs	Streamline current approaches. Maintain the distinction between transitory and non-transitory proficiency problems (para 4.73)
	Coding frame	Box 4.3	Need for a succinct set of items
	Prompted or unprompted	Prompted	Comparability

The skills gap module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
Skills need improving	Prompted or unprompted	Prompted (para 4.74)	Comparability, consistency with D2F question
	Phrasing and coding frame	See Box 4.5	Comparability, consistency with D2F question
Measures taken	Phrasing and coding frame	See Box 4.7	
	Prompted or unprompted	Prompted (para 4.80)	Comparability. Better focus on balance between types of steps taken (recruitment or training-based or nothing at all)
	Global or occupation-specific	Global (para 4.65)	It is establishments whose behaviour policy-makers ultimately seek to influence
Impacts	Phrasing and coding frame	See Box 4.9	Mirror the approach for D2F
	Prompted or unprompted	Prompted (para 4.81)	Comparability
	Global or occupation-specific	Global (para 4.66)	Same as for the D2F impacts question.

The off-the-job training module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
Incidence	Definition	As current (paras 5.11-5.14)	Already exists a broadly uniform approach
Number receiving training	Single question or occupation-by occupation	Either approach can be used, depending on objectives (paras 5.15-5.18)	Provision of such information is challenging for the larger establishments (see paras 5.19-5.24)
Providers	Phrasing of the question and coding frame	See Box 5.2	Clear distinction between 'internal' and 'external' providers
	Prompted or unprompted	Prompted (para 5.26)	Comparability
	Follow-up questions	Optional	Inclusion will depend on survey objectives
Types of training	Phrasing of the question and coding frame	See Box 5.4	Not a great deal of variation in current approaches (para 5.27).
	Prompted or unprompted	Prompted (para 5.27)	Comparability. Consistent with current approaches.
Qualifications	Whether training leads to qualifications and types of qualifications	Optional	One measure of training outputs (para 5.8, fourth bullet)
Expenditure	Asking about amount spent	Optional	Difficult for respondents to give precise estimates
	Trend question	Optional	Additional information on training spend

The off-the-job training module – Summary of recommendations

Sub-module	Issue	Recommendation	Rationale
Results expected / achieved	Coding frame	Optional	Gap in current surveys - see para 5.40,

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